

EXHIBIT A

1 IN THE UNITED STATES DISTRICT COURT
2 IN AND FOR THE DISTRICT OF DELAWARE

3 - - -
4 IN RE: ADAMS GOLF, INC., : CIVIL ACTION
5 SECURITIES LITIGATION, :
6 : NO. 99-371 (KAJ)

7 - - -
8 Wilmington, Delaware
9 Tuesday, May 17, 2005 at 2:00 p.m.
10 CLASS CERTIFICATION HEARING

11 - - -
12 BEFORE: HONORABLE KENT A. JORDAN, U.S.D.C.J

13 - - -
14 APPEARANCES:

15 ROSENTHAL MONHAIT GROSS & GODDESS, P.A.
16 BY: CARMELLA P. KEENER, ESQ.

17 and

18 LAW OFFICES OF DONALD B. LEWIS.
19 BY: DONALD B. LEWIS, ESQ.
20 (Bala Cynwyd, Pennsylvania)

21 and

22 BERGER & MONTAGUE, P.C.
23 BY: TODD S. COLLINS, ESQ.,
24 (Philadelphia, Pennsylvania)

25 and

Brian P. Gaffigan
Registered Merit Reporter

1 APPEARANCES: (Continued)

2 KELLER ROHRBACK
3 BY: ELIZABETH A. LELAND, ESQ., ESQ.
4 (Seattle, Washington)

5 Counsel for Plaintiffs

6 RICHARDS LAYTON & FINGER
7 BY: ALYSSA M. SCHWARTZ, ESQ.

8 and

9 AKIN GUMP STRAUSS HAUER & FELD, LLP
10 BY: PAUL R. BESSETTE, ESQ., and
11 JENNIFER R. BRANNEN, ESQ.
(Austin, Texas)

12 Counsel for Adams Golf Defendants

13
14 POTTER ANDERSON & CORROON
15 BY: JOHN E. JAMES, ESQ.

16 and

17 SIMPSON THACHER & BARTLETT
18 BY: THEODORE J. McEVROY, ESQ.
(New York, New York)

19 Counsel for Adams Golf Defendants
20
21
22
23
24
25

1 adequate to handle the responsibilities that they have.
2 Third Circuit case law that I feel I am certainly bound by,
3 I believe that they've demonstrated a sufficient level of
4 understanding of what the case is about.

5 Interest in the case, I take it, is factually
6 significant that these folks found the lawyers and not the
7 other way around. That they, at least in one instance,
8 solicited one of the group to participate and the person,
9 Dr. Shockley agreed to step in. This demonstrates to me
10 that it's a group that knows enough about each other and
11 enough about the case and enough about the relationship with
12 the counsel who will be prosecuting the case that they can
13 fairly be said to be legitimate representatives of the
14 class, and that it is a class that ought to be certified.

15 The issue of a lack of a written fee agreement,
16 certainly things have changed over time in class actions.
17 And nowadays, I've seen, and it's getting to be more
18 typical, particularly with large institutional investors,
19 that you get agreements in advance and that make people
20 promise "I'm not going to seek more than X percent of a
21 recovery, et cetera" that there is no requirement in law for
22 something like that. The fact that that didn't exist here
23 doesn't make these folks either unknowledgeable or unengaged
24 or puppets on the string of counsel, as the argument from
25 the defense seems to imply. So I reject those arguments. I

1 accept the arguments from the plaintiffs and I'm going to
2 certify a class of some sort.

3 I'm reserving on the question of the length of
4 certification. I'm going to go back and re-read and take a
5 look at the October and January disclosures and see which
6 side I think has the better of that argument and whether in
7 fact it is the type of issue that a more developed record
8 ought to be had on it in any event.

9 So is there anything that else that we should be
10 talking about before we break here today? Mr. McEvoy.

11 MR. McEVOY: Did Your Honor have any partial
12 ruling with respect to the subclass issue?

13 THE COURT: Only to this extent, sir. That I
14 agree with the defense that there is not joint and several
15 liability. Therefore, we need some kind of separate 12(a)
16 subclasses because, otherwise, who knows who has got
17 responsibility to who in that context.

18 So thank you for mentioning it. That is an
19 accurate point and one that I'll have in mind as I'm going
20 back trying to sort out the various arguments with respect
21 to the timing on the certification.

22 MR. McEVOY: Thank you, Your Honor.

23 MR. COLLINS: If I may, Your Honor. Mr.
24 Besette mentioned the Pinter v Dahl line of cases. And
25 that is not something that was addressed in the defendants'

1 opposition. If the Court thinks it's appropriate,
2 plaintiffs would be glad to brief that issue, but we
3 didn't -- since the defendants didn't raise it in their
4 brief on this motion, we didn't think that it was going to
5 be addressed today.

6 MR. BESSETTE: And just to clarify, your Honor,
7 I didn't cite the Pinter case but we cited the Court's prior
8 ruling that it was limited and that class went to the
9 underwriters and I just wanted to make the point here which
10 is why I didn't dwell on it very long that this 12(a)(2)
11 class for seller couldn't involve the company. It has to be
12 the underwriters.

13 THE COURT: Well, you know, I really do feel
14 like I've had plenty of paper. But having said that, I
15 recognize that there is a lot at stake for folks here. So
16 here is what we're we'll do.

17 I'm going to go ahead and let you folks do some
18 sort of cross submissions on that. If you think that this
19 Pinter case is something I ought to be looking at, then you
20 folks give me memorandum that shouldn't be any more than at
21 the most five double-spaced pages. And less is more that is
22 focused on that specific issue. And just submit them at the
23 same time. You know what your arguments are because you
24 have been sitting in court with each other. I don't need
25 any responses or surreplies. Just give me something in a

EXHIBIT B

IN THE UNITED STATES DISTRICT COURT
IN AND FOR THE DISTRICT OF DELAWARE

- - -

F. KENNETH SHOCKLEY, M.D., : CIVIL ACTION
et al., Individually and on :
behalf of all others similarly :
situated, :

Plaintiffs, :

v :

ADAMS GOLF, INC., et al. :

Defendants. : NO. 99-371 (KAJ)

- - -

Wilmington, Delaware
Thursday, July 14, 2005 at 10:10 a.m.
TELEPHONE CONFERENCE

- - -

BEFORE: HONORABLE KENT A. JORDAN, U.S.D.C.J.

- - -

APPEARANCES:

ROSENTHAL MONHAIT GROSS & GODDESS
BY: CARMELLA P. KEENER, ESQ.

and

BERGER & MONTAGUE, P.C.
BY: TODD S. COLLINS, ESQ.,
ELIZABETH WILLIAMS FOX, ESQ., and
NEIL F. MARA, ESQ.
(Philadelphia, Pennsylvania)

Counsel for Plaintiffs

Brian P. Gaffigan
Registered Merit Reporter

1 APPEARANCES: (Continued)

2

3

RICHARDS LAYTON & FINGER, P.A.
BY: ALYSSA M. SCHWARTZ, ESQ.

4

and

5

6

AKIN GUMP STRAUSS HAUER & FELD
BY: JENNIFER R. BRANNEN, ESQ., and
MICHELLE REED, ESQ.
(Austin, Texas)

7

8

Counsel for Adams Golf Defendants

9

10

POTTER ANDERSON & CORROON, LLP
BY: JOHN E. JAMES, ESQ.

11

and

12

13

SIMPSON THACHER & BARTLETT
BY: THEODORE J. McEVROY, ESQ.
(New York, New York)

14

Counsel for Underwriter Defendants

15

16

17

18

19

20

21

- oOo -

22

P R O C E E D I N G S

23

(Proceedings started at 10:10 a.m.)

24

THE COURT: Hi, this is Judge Jordan. Who do I

25

have on the line?

1 class plaintiff to assert these claims and the appropriate
2 class plaintiff is someone who bought from the particular
3 underwriter. And the case that cited to the Court at oral
4 argue on May 17th, the Griffin vs. Paine Webber case, it's
5 2001 Westlaw 740764, it's the Southern District of New York
6 case, I think addresses this issue and says pretty plainly
7 if you want to assert 12(a)(2) class, 12(a)(2) claims, you
8 need plaintiffs who purchase directly from the underwriter
9 as an appropriate class plaintiff.

10 We don't think it's a burden for the plaintiffs
11 to identify the appropriate person. That knowledge is
12 distinctly within their control and we don't think it would
13 cause problems to identify it now rather than speculating on
14 what discovery might turn up later.

15 THE COURT: I have to agree, and my memorandum
16 order is clearly inartfully worded to the extent it left the
17 parties with the impression that I was reversing field on
18 what I had said at the oral argument.

19 And I also agree with the position Mr. McEvoy
20 has articulated that it gets things out of order to say,
21 well, because there might turn out to be some kind of
22 factual development that would show each underwriter
23 responsible for soliciting all the purchasers, you got
24 to have a proper plaintiff to start with. And if your
25 later factual development demonstrates what you have said,

1 Mr. Collins, then there may end up being some different
2 lineup of liability at the end. But in the first instance,
3 I can't assume that is what will happen so you need to get
4 somebody proper in the mix.

5 MR. COLLINS: Very good, Your Honor.

6 THE COURT: So you folks should be addressing
7 the case on that, addressing the form of order on that
8 basis.

9 Now let's talk about the timing here on the
10 effort to amend the complaint. And, Mr. Collins, I'll give
11 the ball to you on this one first.

12 MR. COLLINS: Thank you, Your Honor. We see
13 this as a pretty straightforward issue in which frankly the
14 system is working. We're undertaking diligent discovery.
15 Certainly, the Adams Golf defendants are also working hard
16 on the discovery process. What is happening as we go
17 forward in discovery is our direction is getting honed, we
18 learn more specifically what documents we need. As we
19 learn that, we make specific pointed requests and there is
20 a response.

21 There are at least three categories, Your Honor,
22 in which, as we have learned more through the discovery
23 process and through our continuing investigation, we need
24 more documents that haven't been produced yet. We're not
25 pointing fingers. All it is is that we've been doing

EXHIBIT C

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

IN RE ADAMS GOLF, INC.
SECURITIES LITIGATION

CONSOLIDATED
C.A. No. 99-371 KAJ

PROPOSED ORDER CERTIFYING A CLASS AND SUBCLASSES

Having considered the submissions and oral argument of plaintiffs and defendants on plaintiffs' motion for class certification, the Court finds:

1. That the Class and Subclass, as defined below, meet the prerequisites of Rule 23(a) in that (a) the members of the Class and the Subclass are so numerous that joinder of all members is impracticable; (b) there are common questions of law or fact; (c) the claims and defenses of the Class representatives, Kenneth Shockley, Patricia Craus, John Morrash and Todd Tonore, and of the representative of the Lehman Subclass, Patricia Craus are typical of the claims and defenses of the Class and Lehman Subclass; and (d) the Class and Subclass representatives will fairly and adequately protect the interests of the Class and Subclass.

2. That the Class and Subclass meet the prerequisites of Rule 23(b)(3) in that questions of law and fact common to members of the Class and the Subclass predominate over individual questions, and that a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

Accordingly, it is **ORDERED**, as follows:

1. Pursuant to Federal Rule of Civil Procedure 23 (a) and (b)(3), a class, against all defendants, is certified under Section 11 of the Securities Act of 1933 (the "Class"). The Class consists of all persons who bought Adams Golf common stock between July 10, 1998 and

October 22, 1998, inclusive, pursuant to or traceable to Adams Golf's July 10, 1998 Registration Statement, and suffered damages thereby. Class representatives are Kenneth Shockley, John Morrash, Patricia Craus and Todd Tonore.

2. The claims of the Class are that defendants bear responsibility (as issuer, signatories, or underwriters) for the registration statement that became effective July 10, 1998, and omitted material facts required to be stated therein, and that Class members suffered damages thereby.

3. Pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3), a subclass against Lehman Brothers Holdings, Inc. ("Lehman") is certified under Section 12(a)(2) of the Securities Act of 1933 (the "Lehman Subclass"). The Lehman Subclass shall consist of all persons who bought Adams Golf stock from Lehman in the initial public offering on July 10, 1998, and suffered damages thereby. The Lehman Subclass representative is Patricia Craus.

4. The claims of the Lehman Subclass are that, pursuant to Section 12(a)(2) of the Securities Act of 1933, defendant Lehman sold stock by means of a prospectus that omitted a material fact required to be stated in the prospectus.

5. Excluded from both the Class and the Lehman Subclass are defendants and members of their immediate families, any entity in which a defendant has a controlling interest, and the heirs, successors and assigns of any excluded individual or entity.

6. Lead Counsel for the Class and Lehman Subclass is Berger & Montague, P.C., 1622 Locust Street, Philadelphia, PA 19103, 215-875-3000. Liaison Counsel is Rosenthal, Monhait, Gross & Goddess, P.A., 919 Market Street, Suite 1401, P.O. Box 1070, Wilmington, DE 19899, 302-656-4433.

7. Pursuant to Rule 23(c)(2)(b), plaintiffs shall submit to the Court, a form of Notice to the Class and the members of the Lehman Subclass within sixty (60) days of the entry of this Order.

SO ORDERED THIS _____ day of _____ 2005.

UNITED STATES DISTRICT JUDGE